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**A Rose Is A Rose Is a Rose**

(Call centers expand from just voice communications to customer e-mail, Web text chat and fax communications, and role expands from customer contact center to corporate nerve center)

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**ABSTRACT:**

A number of changes have been implemented to the call center, whereas it was dominated by telephone calls before, now there are other communications media that could be used to handle and receive calls. They include e-mail, voice mail, fax, Web sites, and Web text chat. As soon as glitches to Internet telephony and video calls are fixed, the call center would also have to deal with them. The shift to these sophisticated tools is driven by the constant search for ways to efficiently serve the customers, thereby increasing the companies' chances of retaining customer loyalty. Due to the changes, a number of proposed names that would replace call centers were created, which are inappropriate. One is customer interaction center, which does not fit since it implies that the center is only a site that facilitates conversation between the client and the agent. Two is consumer contact center, which is similar in description as the first term. Third is customer access center, which could be considered the least descriptive of the three. Call centers, which serve as the center for customer account maintenance, should be used since it would emphasize the value of the customer relationship the center has on the company's bottom line. Article includes a table prepared from a pie chart that shows the average number of sites or locations per call center.

**TEXT:**

BY MATTHEW VARTABEDIAN, TECHNOLOGY EDITOR

Let's face it, role of the call center in the enterprise is changing. The number of ways customers can contact companies has ballooned. Internet technologies (e-mail, Web chat, Web sites themselves, Web self-service) add a complex, uncharted dimension to the telephony world the province of the traditional call center. Computer-telephony integration (CTI) enables (among other things) companies to correlate individual customer histories with incoming calls, e-mail, Web chat sessions. The ultimate goal? Efficient, personalized, "one-to-one" customer service culminating in improved customer satisfaction, loyalty and retention, i.e., a secure revenue source for the company.

Newfangled terms have recently emerged (e.g., "customer interaction/access/contact center") calculated to redefine your understanding of the call center's role as it relates to the enterprise. These terms, while descriptive of an aspect of the customer/company interaction, don't fully define the call center's emerging relationship to, and function within, the enterprise.

**A Rose**

The word "call" has many different meanings: to cry out, to address by name, to make a demand, to make a brief visit. You can call on or upon, call out, call for or just plain call. which is how we generally employ it

when referring to telephone usage. In our industry, the word "call" shimmers with additional meanings: call in queue, call abandoned, time per call, call volume, call trough. In some cases the word functions as a verb (John Doe is calling), as a noun (telephone call) or as an adjective (call center). Some eyebrows will raise, no doubt, at this assertion; let me explain. The term "call center" may have become a noun through everyday usage, but when usage began more than 20 years ago it was necessary to describe the function of the center in question. Thus, a call center is the place where many telephone calls are received and/or made.

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This model is changing. Call centers must now respond to customer e-mail, fax and increasingly, Web text chat -- in addition to voice calls. Soon, agents will be expected to collaborate using Web browsers, handle video calls and Internet telephony calls. The use of these multiple media types is driven by a single constant -- to serve the customer's needs as efficiently, as completely and in as friendly a manner as possible.

These factors, taken together, help to improve, in the end, customer retention. The call center becomes of value to the enterprise when the intelligence it gathers from customers and the know-how it embodies are recognized and utilized. Making these attributes available to the organization (to sales, marketing, product development, accounts receivable, the president), therefore, helps ensure the company's ability to respond to customers' changing needs.

Do the terms "customer interaction/ contact/access center" resound with this meaning any more than "call center" does? I don't think so, and here's why:

- \* Customer interaction center -- Describes a center where the emphasis is on the conversation between agent and customer, little more.

- \* Customer contact center -- Similar to the previous term, but less descriptive, i.e., the place where your customers contact you.

- \* Customer access center -- The least descriptive of the three. While intended to demonstrate that customers can access the call center via multiple communications media, and that by implication, your call center should be able to respond in kind, I don't think these meanings are communicated. It simply sounds synonymous with the previous term.

- \* Call center -- You know what this term means. You live it every day.

When I mentioned my thoughts on this concept to John Gordon, project director, CT Research & Consulting Group, at Venture Development Corporation, he made an interesting comment, which I'll paraphrase: Yes, CTI database queries provide helpful information about the caller to the agent, and yes, that information is often very helpful in providing high-quality service, but the interaction with the customer ends when the call ends. A term like "customer interaction center" may actually be misleading. Action still needs to be taken upon call termination -- sending out literature, shipping goods, dispatching a field technician to fix the problem or simply annotating the customer history so that other departments within the enterprise can make use of the information the agent has amassed.

By concentrating your company's powers of "customer account maintenance" in the call center (what Mr. Gordon was describing) and by making the information harvested accessible to the enterprise, what emerges is more of a "nerve center" than a mere customer contact center. The focus is not on the communication medium customers use to contact your business, or on the 30-second conversation, but on the value of the customer relationship to the enterprise's bottom line.

Many industry commentators, vendors and analysts have hinted at the evolution of the call center into something grander. I suggest that your existing call center is already your customer interaction/access/contact center. Always has been, always will.

The expanded definition of call center, which I've attempted to summarize here, relates to a new business model common to all companies. Call centers have become a fact of business life. It doesn't matter if your company is Internet-based, like an Amazon.com, in a mall or a mail order catalog. If a part of your company is dedicated to handling customer interactions, inbound/ outbound; regardless of media type; you've got a call center, at least that's the standard against which it should be judged. If you already have one in operation, you're a step ahead and some of the telephony-based operational procedures can be translated into acceptable metrics for e-mail or Web text chat handling. The basic function, however, is customer interaction followed by everything else that makes the conversation the agent and customer had, real -- fulfilling the order, sending out literature, registering a complaint, filing a bug report, or adding the solution to the customer's problem to the Web FAQ.

Rather than embrace a new term that doesn't fully define what it is you want your call center to do, view the current operation in a new light. Examine its function and the business need it fulfills, and above all, the value it brings to your company. In short, turn your call center into an integral part of your company that integrates with new technologies and methodologies simply, quietly and to great effect.

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#### Think Small

What follows are three charts from Venture Development Corporation's recent research report entitled "U.S. Call Centers: Market Insight For Suppliers Of Call Center Technology." My reason for including them? To give you a bird's eye view of the market in which you work. VDC estimates there are 40,000 (3+ agent) call centers in the U.S.; the numbers in the accompanying graphs rely, therefore, upon VDC's estimation. The explanatory text accompanying the charts is taken verbatim from the report, for accuracy's sake and for your consideration. If you've any questions about the content, methodology and scope of the report, give John Gordon a call at 508-653-9000 or send him an e-mail at [jgordon@vdc-corp.com](mailto:jgordon@vdc-corp.com) or visit their web site at [www.vdccorp.com](http://www.vdccorp.com).

Figure 1

Average Number Of Sites/Location Per Call Center Operation (Percent Of Operation)

Majority Of Call Centers Are Single-Site Operations Nearly One Third Are Small, Multisite Operations

6 to 15	6.9%
2 to 5	31.0%
One	57.3%
Over 15	4.8%

Source: Venture Development Corporation [www.vdccorp.com](http://www.vdccorp.com)

Figure 2

Average Number Of Agents Per Call Center Site (Percent Of Sites)

Small & Midsize Call Center Almost Equal

Up to 10	40.0%
10-50	31.0%
51-100	16.0%
101-200	8.0%
201-500	4.6%
Over 500	0.4%

Size of the call center operation -- The small to mid, size operation (up to 50 agents) continues to be the predominate type of call center in the U.S. As evidenced in Figure 2, these call centers account for almost three quarters of the U.S. sites. The trends most likely to affect the number of call centers are those resulting from managerial and external factors. Contributing to the growth expected in the overall number of call center sites is both the split-up of very large call center sites and an increase in demand for services.

The decline in large call centers translates, in part, to an increase in small centers. Call centers having over 200 agents seats (especially those with greater than 500 agents) are under the most pressure from labor shortages, wage battles and other factors resulting from the overall need for more highly skilled CSRs. These larger call centers are splitting up to take advantage of the technology which now supports the linking of distributed operations. Results seen by call center management run along the lines of improved manageability, alleviated labor and staffing issues, and a realized need for fewer agents in some instances.

Technology allowing for the seamless distribution of services across multiple sites (and multiple platforms) is the prime motivation behind the expected increase in small call centers. With technology providing quality monitoring, reporting, supervisory and scheduling functions across multiple/remote sites, there is no loss or decline in the quality of services provided when dividing larger operations. In fact, this technology improves an agency's ability to take advantage of regional, and even international, opportunities as soon as they surface. Seamless function across remote sites, in conjunction with staffing problems associated with large-scale operations, will hinder further establishment of large call centers to a great extent.

Increased demand for services has resulted in many organizations realizing the value of creating small in-house call centers. With the increase in availability and variety of complete call center solutions (and decreasing prices), this opportunity is made very attractive to organizations wishing to enhance the quality of service provided to their customers. VDC estimates the 3- to 10-agent call center segment will experience the greatest growth over the next few years (upwards of 23 percent per year), with the 10- to 50-agent facility seeing only slightly less growth. Growth of this measure will continue, as will growth of distributed call centers, until overall market deceleration at or near the end of 2000. The introduction of virtual and multimedia call center operations throughout various markets will help to provoke the re-acceleration of the market as a whole soon after this time.

As the number of call centers increase, the number of agents per call center will decline. At present, the vast majority of agents are employed in call centers in the 50- to 500-agent range (Figure 3). The overall number of agents will decline as large call centers split into distributed operations and automated functions increase in popularity, availability and use. The use of "pre-agent" technology such as PSO, IVR, auto attendant and other tools are increasingly being implemented in call centers. This translates to less need for the low-skill level agent. Some lower skilled tasks will, however, always require a live agent. Outbound telemarketing, fund raising, collections and surveying, as well as several inbound routing and information exchanges are instances where a live agent is often required or requested. With the increased skills level required of today's agent, the higher salary commanded will contribute to the decreasing number of agents overall. With overhead accounting for upwards of 70 percent of a call center's costs, the need for higher skilled, higher paid agents will

put further pressure on management to thin the ranks of their employ. The driving force for call centers to take advantage of technology is not to stimulate growth of the operation, thus providing advancement opportunities for the agents, but to decrease the need for live agents and allow for attrition to take place, thus lowering overhead.

Figure 3

Number Of Agents In U.S. Call Centers By Size of Operation

Over 1% Of The U.S. Civilian Workforce Works As Call Center Agents

Up to 10	2.8%
10-50	11.0%
51-100	28.5%
101-200	24.6%
201-500	27.2%
Over 500	5.9%

Source: Venture Development Corporation

[www.vdccorp.com](http://www.vdccorp.com)

Note: Table was prepared from a bar graph.

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SPECIAL FEATURES: Table

COMPANY DEPARTMENT NAME: Marketing & Sales

INDUSTRY NAMES: Business services

PRODUCT NAMES: Telemarketing services (738928)

CONCEPT TERMS: Marketing & Sales; Customer service; Electronic mail; Internet

GEOGRAPHIC NAMES: United States (USA)

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